

Idaho Legislative Audits
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Southwest District Health (III)

Audit Report

Issued: July 21, 2004
Fiscal Year: 2002 and 2003



EXECUTIVE SUMMARY LEGISLATIVE AUDITS

SOUTHWEST DISTRICT HEALTH (III)

PURPOSE AND SCOPE. We have audited the financial statements of the Southwest District Health (III) for the fiscal years ended June 30, 2002 and 2003, in accordance with auditing standards generally accepted in the United States of America. The purpose of our audit is to determine if the District's financial statements are materially accurate and reliable, and that the District complied with laws and regulations affecting fiscal operations.

CONCLUSION. We conclude that the District's cash basis financial statements are materially accurate and reliable, and fiscal operations materially comply with related laws and regulations. As a result, we issued an unqualified opinion on the District's financial statements.

FINDINGS AND RECOMMENDATIONS. There are no findings and recommendations in this report. However, we did make suggestions for minor internal control improvements.

PRIOR FINDINGS AND RECOMMENDATIONS. The prior report for fiscal years 2000 and 2001 had two findings and recommendations. Both findings are considered closed as explained below.

Prior Finding #1. The District had no procedures in place to ensure compliance with federal suspension and debarment requirements. Since the last audit, the District has established procedures to ensure compliance with these requirements. **CLOSED.**

Prior Finding #2. The Schedule of Expenditures of Federal Awards (SEFA) prepared by the District did not agree with the underlying support documentation. The District has established a system that now ensures the SEFA is prepared with and agrees to the underlying support documentation. **CLOSED.**

AGENCY RESPONSE. The District has reviewed the report and is in general agreement with its contents.

FINANCIAL SUMMARY. The District receives its funding from a General Fund appropriation, federal grants, county funding, and fees for services. The cash basis financial operation of the District for fiscal years 2002 and 2003 follows.

Public Health Trust Fund
Fund 0290 – Cash Basis Financial Statement

	<u>FY 2002</u>	<u>FY 2003</u>
General Fund Appropriation	\$1,485,634.00	\$1,384,999.00
Federal Grants	2,060,079.40	2,280,695.87
County Grants	972,960.71	965,342.35
State Grants	127,403.10	150,715.75
Fees, Donations, and Miscellaneous Revenue	<u>1,002,151.05</u>	<u>1,065,611.87</u>
Total Receipts	<u>\$5,648,228.26</u>	<u>\$5,847,364.84</u>
Less:		
Personnel Costs	\$4,162,066.27	\$4,116,929.51
Operating Expenditures	1,149,650.42	1,106,125.57
Capital Outlay	<u>161,935.76</u>	<u>122,408.68</u>
Total Disbursements	<u>\$5,473,652.45</u>	<u>\$5,345,463.76</u>
Cash Increases (Decreases)	\$174,575.81	\$501,901.08
Beginning Cash Balance (Restated 2002)	<u>801,151.18</u>	<u>975,726.99</u>
Ending Cash Balance	<u><u>\$975,726.99</u></u>	<u><u>\$1,477,628.07</u></u>

Idaho Millennium Income Fund
Fund 0499 – Cash Basis Financial Statement

	<u>FY 2002</u>	<u>FY 2003</u>
State Grants and Contributions	<u>\$75,392.00</u>	<u>\$77,664.00</u>
Total Receipts and Contributions	<u>\$75,392.00</u>	<u>\$77,664.00</u>
Less:		
Personnel Costs	\$23,212.18	\$20,078.34
Operating Costs	32,092.22	56,785.59
Capital Outlay Costs	6,072.20	0.00
Trustee and Benefit Costs	<u>24,190.00</u>	<u>0.00</u>
Total Disbursements	<u>\$85,566.60</u>	<u>\$76,863.93</u>
Transfers to Millennium Fund	2,017.94	0.00
Cash Increases (Decreases)	(12,192.54)	800.07
Beginning Cash Balance	<u>14,227.15</u>	<u>2,034.61</u>
Ending Cash Balance	<u><u>\$2,034.61</u></u>	<u><u>\$2,834.68</u></u>

OTHER ISSUES. We discussed other less important issues which, if changed, would improve internal control, ensure compliance, or improve efficiency.

This report is intended solely for the information and use of the Southwest District Health (III) and the Idaho Legislature and is not intended to be, and should not be, used by anyone other than these specified parties.

We thank the director, Eugene Gunderson, and his staff for their assistance and cooperation given to us during this audit.

QUESTIONS CONCERNING THIS AUDIT SHOULD BE DIRECTED TO:

Ray Ineck, CGFM, Supervisor, Legislative Audits

Eugene Sparks, CPA, CGFM, Managing Auditor

Report OP95303

For a copy of the entire audit report , contact Legislative Services Office, Audit Division, State Capitol Building, 700 W. Jefferson Street, P.O. Box 83720, Boise, Idaho 83720-0054, or call 208-334-3540.
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